



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

MAY 13 2008

Gary S. Lincenberg, Esq.
Bird, Marella, Boxer & Wolpert
1875 Century Park East, 23rd Floor
Los Angeles, CA 90067-2561

RE: MURs 4568, 4633, 4634, and 4736

Dear Mr. Lincenberg:

This is in reference to the complaint dated August 5, 1996 filed by you with the Federal Election Commission ("Commission"), which complaint was designated as part of MURs 4568, 4633, 4634 and 4736. In 2002, we notified you of the Commission's actions regarding certain respondents that were named in your complaint, and that the Commission had severed the portion of MURs 4568, 4633, 4634 and 4736 concerning them, placed them into a new matter designated MUR 5294, and closed MUR 5294. We also notified you that MURs 4568, 4633, 4634 and 4736 remained open with respect to other respondents, and that there was a lawsuit, *FEC v. Carolyn Malenick d/b/a Triad Management Services, et al.*, CIV. No. 02-CV-01237 (DDC), then pending in federal district court.

On July 26, 2005, the district court in the Triad litigation entered an order of final judgment. The district court held that the defendants violated the Federal Election Campaign Act of 1971, as amended, by failing to register and report as a political committee beginning in 1996, knowingly accepting excessive and corporate contributions, and making excessive contributions. The district court awarded the Commission declaratory and injunctive relief, and ordered Carolyn Malenick to pay a civil penalty of \$5,000 in monthly installments of \$100 for 50 consecutive months, and to comply with a registration and reporting requirement for Triad covering the years 1996-2000. A copy of the Final Judgment and Order Granting Declaratory and Injunctive Relief is enclosed.

On September 4, 2007, the Commission closed the files in MURs 4568, 4633, 4634 and 4736 as to all remaining respondents, and these matters are now public. Documents related to the cases (including MUR 5294) will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

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Gary S. Lincenberg, Esq.
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If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Susan L. Lebeaux
Assistant General Counsel

Enclosure:

As stated.

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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FEDERAL ELECTION COMMISSION,

Plaintiff,

v.

CAROLYN MALENICK D/B/A
TRIAD MANAGEMENT SERVICES,
et al.,

Defendants.

Civ. Act. No. 02-CV-01237 (JR)

ORDER

**FINAL JUDGMENT AND
ORDER GRANTING DECLARATORY AND INJUNCTIVE RELIEF**

In accordance with the Court's Memorandum Orders of March 30, 2004, and March 7, 2005, and in consideration of the Federal Election Commission's Motion for Reconsideration and Proposal for Final Resolution, Supplemental Motion Regarding Final Judgment and Order, and the responses thereto, the Court hereby enters the following Final Judgment in this case:

IT IS HEREBY DECLARED that Carolyn S. Malenick d/b/a Triad Management Services and Triad Management Services, Inc. violated 2 U.S.C. 433 by failing to register as a political committee in 1996; and it is further

DECLARED that Carolyn S. Malenick d/b/a Triad Management Services and Triad Management Services, Inc. violated 2 U.S.C. 434 by failing to file periodic reports of their receipts and disbursements with the Federal Election Commission beginning in 1996; and it is further

DECLARED that Carolyn S. Malenick d/b/a Triad Management Services and Triad Management Services, Inc. violated 2 U.S.C. 441a(f) by knowingly accepting in 1996 more than

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\$800,000 in contributions that exceeded the limitations set forth in 2 U.S.C. 441a; and it is further

DECLARED that Carolyn S. Malenick and Triad Management Services, Inc. violated 2 U.S.C. 441b by knowingly accepting corporate contributions; and it is further

DECLARED that Carolyn S. Malenick d/b/a Triad Management Services and Triad Management Services, Inc. violated 2 U.S.C. 441a(a) by making excessive contributions to candidates through the combined contributions of an affiliated political committee and their own in-kind contributions to the same candidates.

WHEREAS the aforementioned violations of the Federal Election Campaign Act ("FECA") in 1996 involved hundreds of thousands of dollars of excessive contributions and deprived the voting public of information about millions of dollars of political receipts and disbursements;

WHEREAS, despite the seriousness of the above violations for which the FECA authorizes a civil penalty of hundreds of thousands of dollars, *see* 2 U.S.C. 437g(a)(6), the Defendant Carolyn S. Malenick has submitted documentation to the Federal Election Commission demonstrating that she and Triad Management Services, Inc., are unable to pay an appropriate penalty;

WHEREAS, the Federal Election Commission has agreed to forego further litigation of the factual issues left open in the Court's Memorandum Order of March 30, 2004, that would be necessary to quantify the full extent of the Defendants' violations of the FECA; it is HEREBY

ORDERED that Carolyn S. Malenick shall pay a civil penalty in the amount of \$5,000 for the aforementioned violations, in monthly installments of \$100 for 50 consecutive months, the first payment to be made within 30 days of the date of this Judgment and Order.

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It is FURTHER ORDERED that Carolyn S. Malenick and Triad Management Services, Inc. are hereby permanently enjoined from engaging in any further violations of 2 U.S.C. 433, 434, 441a(a), 441a(f), and 441b similar to those found by the Court in this lawsuit; and it is further

ORDERED that Carolyn S. Malenick d/b/a Triad Management Services and Triad Management Services, Inc. shall complete the Federal Election Commission's form required to register as a political committee, and shall also complete a comprehensive disclosure report on a form to be provided by the Commission covering all receipts and disbursements from the beginning of 1996, the year in which they became a political committee, through the end of 2000, and that completion and submission of these forms to the Federal Election Commission within three (3) months of the date of this Judgment and Order shall satisfy the registration and reporting requirements of 2 U.S.C. 433-434. For the purpose of completing these reports, all receipts and income received by Carolyn S. Malenick d/b/a/ Triad Management Services and by Triad Management Services, Inc., shall be considered contributions; and it is further

ORDERED that the parties shall each bear their own costs and expenses.

IT IS SO ORDERED.

Date

James Robertson
UNITED STATES DISTRICT JUDGE

Copies to:

Lawrence H. Norton
Richard B. Bader
David Kolker
Erin K. Monaghan
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

and

Carolyn S. Malenick, Defendant Pro Se
8913 Early Street
Manassas, VA 20110